

Dairy Industry Advisory Committee Federal Milk Orders

Presented by
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INTERSTATE COMMERCE

- Unlike states, USDA's authority permits regulation of interstate commerce
- Nonetheless, USDA prohibited from using Orders to create trade barriers
- Even so, USDA has authority to impose some form of compensatory payments for entry into an order

MARKET INFORMATION

- Individual Market Administrators collect and publish non-individualized data
- USDA can collect and combine data
- Central Milk Order Collects data and publishes milk marketing maps for California and Federal Orders
- Fewer and larger orders has resulted in some information becoming more opaque

COOPERATIVES

- AMAA expressly authorizes cooperatives to act for producers
- Collect funds from handlers and producer settlement funds
- Reblending
- Bloc voting
- Dairy cooperatives are the only coops who receive Capper-Volstead qualification determinations

UNIFORM PRICE AUTHORITY

- Uniform prices – all prices paid by handlers and received by producers are uniform except:
- Grade, quality, and location differentials
- Unused authority:
- Volume, market and production differentials

PROCESS

- Formal rulemaking process is slower than California process
- USDA can now use informal rulemaking for non-controversial matters
- Federal Order Reform pre-2000 was informal rulemaking
- The record is the record
- Hearing Clerk's office and the 21st Century

CONCLUSION

- Questions?